Group under the chairmanship of Shri S.C. Gupta, Legal Adviser-in-Charge, Reserve Bank of India to review the efficacy of the existing legislative framework that governs money lending as also the enforcement machinery in different State and make recommendations for its improvement. The model legislation proposed by the Technical Group, *inter-alia,* provides for the following:

* a simple and hassle free procedure for compulsory registration and periodical renewal of their registration by money lenders;
* a simplified dispute resolution mechanism to ensure better enforcement;
* adoption of the rule of 'Damdupat', *i.e.* the interest charged should not exceed the Principal.

The Report of the Group has been submitted and is placed on the website of RBI for comments of the stakeholders.

Smuggling of sandal wood to China

2384. SHRI SHREEGOPAL VYAS: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that sandal wood has been smuggled to China *via* Nepal;

(b) if so, whether any investigation has been done; and

(c) if not, what action has been taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) No such case of smuggling of Sandal Wood has been detected. However there have been number of cases of seizures of Red Sander wood being smuggled to Nepal. The details for the last three years are as below:—

Year	No. of seizure cases	Qty. (in Kgs)	Value of seized goods (Rs. in Lakhs)
2005-06	1	25506.6	89.27
2006-07	8	73275.0	255.45
2007-08 (upto Mar. 08)	7	59144.5	479.37

The intelligence reports also indicate that the Red Sanders Wood are being smuggled to China *via* Nepal.

(c) The filed formations including Directorate of Revenue Intelligence have been directed to be alert and vigilant to thwart any attempt of smuggling of Sandal Wood/Red Sanders wood from India to Nepal.

Extension of benefits of insurance facilities to general public

†2385. SHRI RAJ MOHINDER SINGH MAJITHA:

SHRI RAM JETHMALINI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that majority of Indian citizens do not have access to the benefits of insurance facility;

† Original notice of the question was received in Hindi.

(b) if so, the number of such citizens in rural as well as urban areas, separately;

(c) whether Government has formulated a number of insurance based schemes to extend benefits to the general public of the country; and

(d) if so, the names of such schemes and whether it is essential to take some additional steps to make these schemes effective?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The Insurance Regulatory & Development Authority (IRDA) does not compile statistics on the actual number of persons who do not have access to the benefits of insurance facility. The performance of an insurance sector is accessed worldwide on the basis of two parameters, *viz.*, Insurance Penetration (ratio of premium underwritten in a given year to the Gross Domestic Product) and insurance density (ratio of premium underwritten in a given year to the total population measured in US$). The insurance penetration and insurance density in the country increased from 2.32 and US $ 9.9 in the year 2000 to 4.80 and US $ 98.4 in the year 2006 respectively. As per IRDA data, 22.62 crore policies were in force in the country as on 31st march, 2007. The Life Insurance Corporation of India, (LIC) with a wide network of 8 Zonal Offices, 105 Divisional Offices, 2048 Branch Officers, over 300 Satellite Offices and 11 lakh agents, is covering the length and breadth of the country. The public sector general insurance companies have more than 4000 offices across India to provide access to benefits of Insurance facilities to all sections of the population.

(c) and (d) A number of insurance schemes have been formulated by the Government since 1988 to extend benefits to the general public of the country. The Government has launched Social Security Insurance Schemes like Janashree Bima Yojana, Aam Aadmi Bima Yojana, Krishi Shramik Samajik Suraksha Yojana, Universal Heath Insurance Scheme and Rashtriya Swasthya Bima Yojana for the benefit of people living below or marginally above poverty line. As per IRDA (Obligation of the insurers towards the rural and social sectors) Regulations, 2002 all insurers are required to underwrite a specified per cent of the policies/ premimum in the rural sector and a specified number of persons must be provided insurance cover in the social sector on an annual basis.

Post Issue Monitoring of RPL

2386. SHRI DHARAM PAL SABHARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that as per Post Issue Monitoring Report (PIMR), regarding IPO of Reliance Power Ltd. (RPL) the dispatch of refund orders were completed within 15 days from date of closure of issue;

(b) whether PIMR submitted by Lead Managers to SEBI is concocted and not based on facts as more than 2000 complaints were received for non-refund or partial refund to small investors;

(c) if so, the action taken by SEBI against promoters for misleading PIMR;

(d) how many complaints for non-refund or partial refund are pending as on 15th March, 2008; and

(e) the steps taken to refund the amount to small investors with interest thereon?